

WASHINGTON PUBLIC POWER SUPPLY SYSTEM
Benton County, Washington
July 1, 1992 Through June 30, 1993

Schedule Of Findings

1. Credit Cards Should Only Be Used For Travel

Our audit revealed the Washington Public Power Supply System (supply system) has implemented a new purchasing procedure whereby credit cards are issued and authorized to be used by individuals. These individuals are authorized to make purchases for their department for purposes other than authorized travel.

RCW 42.24.115 states in part:

(1) Any municipal corporation or political subdivision may provide for the issuance of charge cards to officers and employees for the sole purpose of covering expenses incident to authorized travel. (Emphasis ours.)

Issuing credit cards for use by officers and employees for other than authorized travel violates the "sole purpose" provision of RCW 42.24.115.

The supply system feels that this is a customary and ordinary function of a proprietary entity within the scope of their authority as a Joint Operating Agency. Further, they feel it is more efficient, and thus a benefit to the rate payers, to conduct purchasing in this manner.

We recommend the supply system discontinue the use of credit cards for procurement purposes until such time as they are able to obtain legislative authority to use credit cards for other than authorized travel expense.